

GOODWIN, PROCTER & HOAR

(A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS)

COUNSELLORS AT LAW

EXCHANGE PLACE

BOSTON, MASSACHUSETTS 02109

August 31, 1987

TELEPHONE (617) 570-1000

TELECOPIER (617) 523-1231

TELEX 94-0640

CABLE GOODPROCT, BOSTON

CERTIFIED MAIL - RETURN
RECEIPT REQUESTED

RECORDATION NO. 1 5399
Filed 1425

DEC 7 1987 - 3 25 PM

Interstate Commerce Commission
12th Street & Constitution Avenue, N.W.
Washington, DC 20423

INTERSTATE COMMERCE COMMISSION

Attention: Ms. Mildred Lee
Room 2303

Date 12-7-87
Fee \$ 10.00

Re: Document for Recordation
49 USC §11303

ICC Washington, D. C.

Ladies and Gentlemen:

I have enclosed an original and one duplicate executed and acknowledged counterpart of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

The document, identified as "Memorandum of Master Equipment Lease Agreement No. 1 and Rental Schedule No. A-2 thereto", is a memorandum of a lease (attached to which is an executed and acknowledged original of Rental Schedule No. A-2 and Certificate of Inspection and Acceptance dated August 31, 1987) and is a primary document.

The names and addresses of the parties to the documents are as follows:

Lessor: Shawmut Bank, N.A.
One Federal Street
Boston, MA 02211
Attn: Equipment Finance and Leasing

Lessee: The Chesapeake and Ohio Railway Company
Attn: Treasury Department - Equipment S/C B7J
100 North Charles Street
Baltimore, MD 21201

GOODWIN, PROCTER & HOAR

Interstate Commerce Commission
August 31, 1987
Page 2

A description of the equipment covered by the document follows:

Twenty-five (25) 60' - 100 Ton XP Railroad Box Cars, all having AAR mechanical designation XP and having reporting marks C&O 166640 - 166664, inclusive.

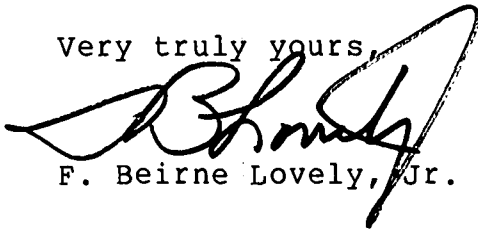
A fee of \$10 is enclosed. Please return the originals and any extra copies not needed by the Commission for recordation to:

F. Beirne Lovely, Jr., Esq.
Goodwin, Procter & Hoar
Exchange Place
Boston, MA 02109

A short summary of the document to appear in the Index is as follows:

Memorandum of Lease dated as of August 31, 1987 between Shawmut Bank, N.A., One Federal Street, Boston, MA 02211, as Lessor, and The Chesapeake & Ohio Railway Company, Attention: Treasury Department, 100 North Charles Street, Baltimore, MD 21201, as Lessee, relating to Master Equipment Lease Agreement No. 1 dated as of July 15, 1987 (See Recordation No. 15279) and Rental Schedule No. A-2 thereto dated August 31, 1987 and covering twenty-five (25) 60' - 100 Ton XP Railroad Box Cars having reporting marks C&O 166640 - 166664, inclusive.

Very truly yours,



F. Beirne Lovely, Jr.

FBL/ab
Enclosures

VS-0165/m

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

F. Beirne Lovely, Jr. Esq.
Goodwin, Proctor & Hoar
Exchange Place
Boston, MA 02109

Dear Sir

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 12/7/87 at 3:25PM, and assigned recordation number(s). 15399

Sincerely yours,

Norata R. McGee
Secretary

Enclosure(s)

SE-30
(7/79)

LESSOR'S
ORIGINAL

MEMORANDUM OF
MASTER EQUIPMENT LEASE AGREEMENT NO. 1
AND
RENTAL SCHEDULE A-2 THERETO

1 5399
RECORDATION NO. 15279
DEC 7 1987 - 3 25 PM
INTERSTATE COMMERCE COMMISSION

THIS MEMORANDUM OF MASTER EQUIPMENT LEASE AGREEMENT NO. 1 AND RENTAL SCHEDULE A-2 THERETO is intended to evidence the MASTER EQUIPMENT LEASE AGREEMENT NO. 1, dated as of July 15, 1987 and Rental Schedule No. A-2 and Certificate of Inspection and Acceptance dated August 31, 1987 (collectively, the "Lease"), each between Shawmut Bank, N.A., a National Association (the "Lessor") and The Chesapeake and Ohio Railway Company, a Virginia corporation (the "Lessee"), for the purposes of satisfying the requirements of recordation with the Interstate Commerce Commission under Section 49 USC §11303. The Lessor is the owner of Twenty-five (25) 100-ton XP Boxcars more fully described in Exhibit I to Rental Schedule No. A-2 and Certificate of Inspection and Acceptance (the "Cars"), which is, in turn, attached hereto as Exhibit I. The Lessee leased from the Lessor all the Cars upon the terms and conditions provided in the Lease. Master Equipment Lease Agreement No. 1 was filed with the Interstate Commerce Commission under Recordation No. 15279.

IN WITNESS WHEREOF, the Lessor and the Lessee, each pursuant to due authority, have executed this Memorandum of Master Equipment Lease Agreement No. 1 and Rental Schedule A-2 thereto as of the 31st day of August, 1987.

SHAWMUT BANK, N.A.
(Lessor)

By: W. C. A. [Signature]

Title: VP

THE CHESAPEAKE AND OHIO
RAILWAY COMPANY
(Lessee)

By: [Signature]

Title: AVP-Boxcars, CSX Equipment

EXHIBIT I
TO
MEMORANDUM OF MASTER EQUIPMENT LEASE AGREEMENT NO. 1
AND
RENTAL SCHEDULE A-1 THERETO
Dated as of August 31, 1987

Equipment Description

Lessee's Numbers

Twenty-five (25) 60' -
100-ton XP Boxcars

C&O 166640-166664

STATE OF MARYLAND)
) ss.
CITY OF BALTIMORE)

On this 27th day of August, 1987, before me appeared Curt C. Tatham, to me personally known, who, being by me duly sworn (or affirmed), did say that he resides at Glen Arm, Maryland, that he is the AVP-Boxcars of CSX Equipment, a unit of CSX Transportation, Inc. which is, in turn, an affiliate of The Chesapeake and Ohio Railway Company (The Chesapeake and Ohio Railway Company being a corporation organized under the laws of Virginia and the corporation described in and which executed the above instrument), that he executed such instrument on behalf of The Chesapeake and Ohio Railway Company by authority of the board of directors of The Chesapeake and Ohio Railway Company and that he acknowledges the execution of the said instrument as the free act and deed of The Chesapeake and Ohio Railway Company and that the statements contained therein are true and correct in all respects.

(SEAL)

Patricia L. Lewis
Notary Public

My commission expires on: 7/1/90

COMMONWEALTH OF MASSACHUSETTS)
) ss.
COUNTY OF SUFFOLK)

On this 3rd day of July, 1987, before me appeared Kenneth C. A. Isaacs, to me personally known, who, being by me duly sworn (or affirmed), did say that he resides at 1150 North Street, Walpole, Massachusetts, that he is a Vice President of Shawmut Bank, N.A., a national association, the association described in and which executed the above instrument, that he executed such instrument on behalf of said association by authority of its board of directors and that he acknowledges the execution of the said instrument as the free act and deed of said association and that the statements contained therein are true and correct in all respects.

(SEAL)

Antonette M. Bacci
Notary Public

My commission expires on: 10/9/92

LESSOR'S
ORIGINAL

RENTAL SCHEDULE NO. A-2
AND
CERTIFICATE OF INSPECTION AND ACCEPTANCE

RENTAL SCHEDULE A-2 and CERTIFICATE OF INSPECTION AND ACCEPTANCE to Master Equipment Lease No. 1 dated as of July 15, 1987 (the "Lease") by and between the undersigned, all of the terms and conditions of which are hereby incorporated herein by reference. Lessee hereby (a) authorizes Lessor to purchase for lease to Lessee the equipment described herein (the "Equipment") and to insert hereon the Lease Commencement Date for such Equipment upon Lessee's acceptance of same for lease, (b) agrees to lease such equipment from Lessor effective the Lease Commencement Date thereof and for the Lease Term specified below, and (c) agrees to pay Lessor the rent, in the amounts and at the times specified below, for each item of Equipment. All of the terms used herein which are defined in the Lease shall have the same meaning as so defined.

EQUIPMENT DESCRIPTION:

<u>Item</u> <u>No.</u>	<u>Serial</u> <u>No.</u>	<u>Unit No.</u>	<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Acquisition</u> <u>Cost</u>
---------------------------	-----------------------------	-----------------	-------------	-------------	--------------	-----------------------------------

See Exhibit I attached hereto and incorporated herein by reference.

STIPULATED LOSS VALUES: As to the first 10% of cumulative Total Acquisition Cost of Equipment subject to this Rental Schedule suffering a Casualty Occurrence, apply Exhibit IIA attached hereto and incorporated herein by reference; as to remaining cumulative Total Acquisition Cost of Equipment subject to this Rental Schedule suffering a Casualty Occurrence, apply Exhibit IIB attached hereto and incorporated herein by reference.

TERMINATION VALUES: See Exhibit III attached hereto and incorporated herein by reference.

TOTAL ACQUISITION COST: \$ *

EQUIPMENT LOCATED AT: See Exhibit I.

LEASE TERM:	<u>Interim Term:</u> <u>Commencement</u> Date: August 31, 1987 <u>Expiration</u> Date: December 30, 1987	<u>Primary Term:</u> <u>Commencement</u> Date: December 31, 1987 <u>Expiration</u> Date: December 30, 1997
-------------	--	--

LEASE COMMENCEMENT DATE: August 31, 1987

PAYMENT DATES: The Interim Term rent payment is due and payable December 30, 1987. The remaining rentals (Basic Rent) commence July 30, 1988 and continue semi-annually in arrears through and including December 30, 1997

BASIC RENT:

Basic Rent Per Day:	\$ *	(See Note 1)
Basic Rent Per Period for the first ten (10) Basic Rent Payment Dates:	\$ *	(See Note 2)
Basic Rent Per Period for the last ten (10) Basic Rent Payment Dates:	\$ *	(See Note 2)

NOTE 1: Basic Rent Per Day is applicable during the Interim Term and is payable on December 30, 1987.


NOTE 2: Basic Rent Per Period and Basic Rent Per Day is computed by multiplying the Acquisition Cost as set forth above by:

Periodic Lease Rate Factor (for first 10 payments of Basic Rent):	* %
Periodic Lease Rate Factor (for last 10 payments of Basic Rent):	* %
Per Diem Lease Rate Factor:	* %

The undersigned, being duly authorized representatives of the Lessor and the Lessee hereby CERTIFY that the units of Equipment described above have been duly delivered to Lessee in good order and duly inspected and accepted by the Lessee as of the Lease Commencement Date reflected above on behalf of the Lessee as conforming in all respects with the requirements and provisions of the Lease.

LESSOR:


SHAWMUT BANK, N.A.

By 

Title VP

LESSEE:

THE CHESAPEAKE AND OHIO RAIL-
WAY COMPANY

By 

An authorized person

Date of Acceptance (Lease Com-
mencement Date): August 31, 1987

LESSOR'S ORIGINAL

* Total Acquisition Cost and Rental amounts are reflected on Lessor's Copy which is in Lessor's possession.

STATE OF MARYLAND)
) ss.:
CITY OF BALTIMORE)

On this 27th day of August, 1987 before me appeared Art C. Talham, to me personally known, who, being by me duly sworn (or affirmed), did say that he resides at Allen Arm, Maryland, that he is the Auto - Boxcar of CSX Equipment, a unit of CSX Transportation, Inc. which is, in turn, an affiliate of The Chesapeake and Ohio Railway Company (CSX Transportation, Inc.'s affiliate, The Chesapeake and Ohio Railway Company being a corporation organized under the laws of Virginia and the corporation described in and which executed the above instrument), that he executed such instrument on behalf of The Chesapeake and Ohio Railway Company by authority of the board of directors of The Chesapeake and Ohio Railway Company and that he acknowledges the execution of the said instrument as the free act and deed of The Chesapeake and Ohio Railway Company and that the statements contained therein are true and correct in all respects.

(SEAL)

Patricia L. Lewis
Notary Public

My commission expires on: 7/1/90

COMMONWEALTH OF MASSACHUSETTS)
) ss.:
COUNTY OF SUFFOLK)

On this 31st day of August, 1987 before me appeared Kenneth C.A. Issacs, to me personally known, who, being by me duly sworn (or affirmed), did say that he resides at 1150 North Street, Walpole, Massachusetts, that he is a Vice President of Shawmut Bank, N.A., a national association, the association described in and which executed the above instrument, that he executed such instrument on behalf of said association by authority of its board of directors and that he acknowledges the execution of the said instrument as the free act and deed of said association and that the statements contained therein are true and correct in all respects.

(SEAL)

Antoinette M. Bacci
Notary Public

My commission expires on: 10/9/92

EXHIBIT I
TO
RENTAL SCHEDULE NO. A-2
CERTIFICATE OF INSPECTION AND ACCEPTANCE
DESCRIPTION OF EQUIPMENT

See two pages attached hereto and incorporated herein by reference.

ATTACHMENT
TO
EXHIBIT I
TO
RENTAL SCHEDULE NO. A-2
AND
CERTIFICATE OF INSPECTION AND ACCEPTANCE

EQUIPMENT DESCRIPTION

<u>Item*</u>	<u>Quantity</u>	<u>Serial No.</u>	<u>Make</u>	<u>Rebuilt By</u>	<u>Acquisition Cost</u>
60'-100 Ton XP Railroad Box Car	One (1)	C&O166640	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&O166641	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&O166642	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&O166643	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&O166644	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&O166645	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&O166646	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&O166647	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&O166648	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&O166649	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&O166650	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&O166651	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&O166652	Pullman Standard	Transco Railway Products, Inc.	\$ *

<u>Item*</u>	<u>Quantity</u>	<u>Serial No.</u>	<u>Make</u>	<u>Rebuilt By</u>	<u>Acquisition Cost</u>
60'-100 Ton XP Railroad Box Car	One (1)	C&0166653	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&0166654	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&0166655	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&0166656	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&0166657	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&0166658	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&0166659	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&0166660	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&0166661	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&0166662	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&0166663	Pullman Standard	Transco Railway Products, Inc.	\$ *
60'-100 Ton XP Railroad Box Car	One (1)	C&0166664	Pullman Standard	Transco Railway Products, Inc.	\$ *
Total:	25			Total:	\$ *

* Initially accepted and located at: Bucyrus, Ohio.

EXHIBIT IIA
TO
RENTAL SCHEDULE NO. A-2
AND
CERTIFICATE OF INSPECTION AND ACCEPTANCE
STIPULATED LOSS VALUES

(Stated as Percentage of Acquisition Cost)

If Casualty Occurrence Occurs On Or After <u>Payment Date No.</u>	<u>Stipulated Loss Value</u>
Lease Commencement Date	99.93%
1	98.57
2	96.92
3	95.00
4	92.85
5	90.48
6	87.91
7	85.16
8	82.24
9	79.15
10	75.88
11	71.14
12	66.18
13	61.01
14	55.65
15	50.11
16	44.41
17	38.55
18	32.54
19	26.35
20 and thereafter	20

EXHIBIT IIB
TO
RENTAL SCHEDULE NO. A-2
AND
CERTIFICATE OF INSPECTION AND ACCEPTANCE
STIPULATED LOSS VALUES

(Stated as Percentage of Acquisition Cost)

If Casualty Occurrence Occurs On Or After <u>Payment Date No.</u>	<u>Stipulated Loss Value</u>
Lease Commencement Date	108.09%
1	107.10
2	105.84
3	104.34
4	102.61
5	100.69
6	98.59
7	96.33
8	93.92
9	91.36
10	88.65
11	84.50
12	80.16
13	75.62
14	70.94
15	66.09
16	61.13
17	56.04
18	50.82
19	45.48
20 and thereafter	40

EXHIBIT III
TO
RENTAL SCHEDULE NO. A-2
AND
CERTIFICATE OF INSPECTION AND ACCEPTANCE
TERMINATION VALUES

(Stated as Percentage of Acquisition Cost)

<u>Payment Date</u> <u>No.</u>	<u>Sale Termination</u> <u>Value</u>	<u>Payment Date</u> <u>No.</u>	<u>Re-Let</u> <u>Termination</u> <u>Value</u>
11	71.14%	11	71.14%
12	66.18	12	66.18
13	61.01	13	61.01
14	55.65	14	55.65
15	50.11	15	50.11
16	44.41	16	44.41
17	38.55	17	38.55
18	32.54	18	32.54
19	26.35	19	26.35
20	20.0	20	20.0

VS-5825/c
8/21/87